

MINUTES OF THE REGULAR MEETING OF THE TRINIDAD CITY COUNCIL
TUESDAY, APRIL 14, 2020

I. CALL TO ORDER

Mayor Ladwig called the meeting to order at 6:00pm. Council members in attendance: Ladwig, Miller, West, Grover, Davies. City Staff in attendance: City Manager Eli Naffah, City Clerk Gabriel Adams, City Planner Trever Parker.

*Due to Covid-19 distancing restrictions, and in accordance with Executive Order N-29-20, the meeting was held via videoconference, hosted on the **Cisco Webex Platform**.*

II. ADJOURN TO CLOSED SESSION – *There was no closed session scheduled.*

III. RECONVENE TO OPEN SESSION – *No closed session.*

IV. PLEDGE OF ALLEGIANCE

V. APPROVAL OF THE AGENDA

Davies requested to move consent #4 to discussion, and requested that Agenda #3 be a presentation only - no decision will be made tonight.

*Motion (Miller/Grover) to approve the agenda as amended. **Passed unanimously.***

VI. APPROVAL OF MINUTES – 03-10-2020 cc, 03-27-2020 cc2

*Motion (West/Grover) to approve the minutes as submitted. **Passed unanimously.***

VII. COUNCILMEMBER REPORTS/COMMITTEE ASSIGNMENTS

Miller: RCEA will be holding their first virtual meeting this month to test the technology.

Ladwig: HTA ridership has been impacted significantly by the virus.

Davies, West, Grover: No report.

VIII. STAFF REPORTS

City Manager Naffah highlighted items listed in the written staff activity report regarding action taken by the City in response to Covid-19; Town Hall closed to most walk-in traffic but handling most business by phone and mail. Trinidad Head trail is a one-way loop. Axel Lindgren & Wagner Street Trails are closed due to narrow passages. Barricades have been placed at Trinidad Head beach to encourage spacing.

IX. ITEMS FROM THE FLOOR

(Three (3) minute limit per Speaker unless Council approves request for extended time.)

Bryce Kenny – Trinidad

I miss being able to walk on the Van Wycke trail. It is not as dangerous as the City is treating it.

X. CONSENT AGENDA

1. Staff Activity Report – March 2020
2. Financial Statements – February 2020
3. Law Enforcement Report – March 2020

4. City Manager Contract Renewal - *Pulled for discussion*

Davies: I don't remember the new terms being reported out at the last meeting, and I'm unclear whether we decided on the length of the contract. This is not the agreement we agreed to in closed session, and the changes are significant.

Miller: Suggested a continued discussion be held in closed session at the next meeting.

By consensus, the Council agreed to bring this item back to a closed session on April 28.

XI. DISCUSSION/ACTION AGENDA ITEMS

1. Discussion/Decision regarding Resolution 2020-03; Adopting the Trinidad Housing Element, and Resolution 2020-04; Authorize the Housing Element Submittal to the Coastal Commission to Amend the General Plan. City Planner Trevor Parker explained that last November/December, the City Council authorized staff to apply for SB2 planning grant funds to complete some tasks related to the Housing Element of the General Plan and meeting State housing requirements. SB2 is an over-the-counter (non-competitive) grant from the State Dept. of Housing and Community Development (HCD). HCD hired a consulting firm, PlaceWorks, to help jurisdictions apply for the funds and complete some of the work. At the time, we were told that the City did not have to have an HCD certified compliant housing element to apply for the funds. Therefore, we submitted an application for the maximum amount, based on Trinidad's population, of \$160,000 with assistance from PlaceWorks. However, it turns out that a Housing Element has to be in place before HCD can allocate the funds, and the allocation deadline is fast approaching. PlaceWorks recently reached out to the City again, because they got permission from HCD to help Trinidad complete its Housing Element in order to receive the SB2 grant funds.

As part of the process for updating the housing element and obtaining certification, the Planning Commission conducted public outreach meetings and hearings to provide information on the update process and timeline and gather public input including on March 4, March 18 and April 1. The Planning Commission unanimously recommended approval of the Housing Element to the City Council on April 1. A public notice listing the meeting dates was posted on March 3 and revised on March 18.

Because of the development limitations in Trinidad, particularly the use of septic systems, it has been difficult for Trinidad to meet the new requirements. However, I have not found the policies and implementation measures to be too onerous for the City to comply with. The City does not have any obligation to ensure housing actually gets built, it just has to show the land and regulations allow for a reasonable opportunity for new housing. The implementation measures do require the City to take certain actions periodically or prior to a certain deadline. The City then must report on steps toward compliance each year; adjustments can be made as needed. In general, as long as the City can show it is making a good faith effort towards completing those actions, it should be able to remain in good standing.

In order to complete this process in the timeliest manner, it was determined that the best approach was to strip down the existing housing element and only include the minimum amount of information and policies required by HCD. However, it is still a long and data-heavy document. For the grant timeline, it would be best to adopt the Housing Element at the April 14 meeting.

In addition to the noticing described above, letters to local Tribal entities offering the opportunity for government to government consultation pursuant to SB18 for the purpose of preserving or mitigating impacts to cultural resources were sent on March 9. Technically the Tribes have 90 days to respond, but the City requested response within 30 days. Trinidad Rancheria representatives have indicated that they will request consultation. Other Tribes may also still respond. Therefore, staff suggests that the City Council approval be provisional upon completing Tribal consultation; HCD is fine with that approach, and it is reflected in the Resolution of Adoption.

Finally, the Housing Element will need to be submitted to and certified by the Coastal Commission as an amendment to the City's General Plan / Land Use Plan portion of the Local Coastal Program. HCD staff will work with Coastal Commission staff to incorporate their concerns and requirements. But that likely means it will go through more iterations prior to final approval by all three agencies (City, HCD, Coastal Commission). Therefore, there will likely be some additional opportunity to make changes to the document during that process. Coastal Commission approval is not required for allocation of the grant funds.

Public comment included:

Jacque Hostler-Carmeson – Trinidad Rancheria

Reminded the Council that they submitted a formal letter requesting Tribal Consultation.

The Council thanked Parker and the Planning Commission for their effort.

*Motion (Miller/West) to 1) Approve and Adopt the Housing Element contingent upon completing SB18 Tribal Consultation by way of the attached Resolution No. 2020-03, and 2) Adopt attached Resolution No. 2020-04; Authorizing Submittal of the Housing Element to the Coastal Commission. **Passed unanimously.***

2. Discussion/Decision regarding Draft Water Policy.

City Planner Trevor Parker explained that at a special meeting on April 1, 2020, the Planning Commission recommended the draft water policies to the City Council for consideration. These are policies for evaluating water service requests for properties outside City limits. However, the findings and application requirements were written so they could also be applied to policies for evaluating service requests inside City limits when those are developed at some point in the future. Staff and the Planning Commission generally agree that water service should be part of the review process for development applications inside City limits. Some of the background information included in the report will look familiar because it includes some information provided at the February 11, 2020 meeting that has been updated. The Planning Commission suggested that the City Attorney should review the policies before they are finalized.

As described in the detailed staff report included in the meeting packet, Staff and the Planning Commission have taken a holistic approach to developing these policies and criteria, meaning they were written to accommodate a broad range of situations, without any one scenario in mind. Development of these policies and criteria were guided by a couple of key premises.

First, the City does not currently have the production capacity to serve the entire Service Area at full build-out (including reserving capacity to serve full build-out within City limits); therefore, certain areas and/or uses should be prioritized for service. The Planning Commission discussed several ways of prioritizing connection requests, primarily based on the relative benefits to the City.

Second, sound planning principles and practice dictate that provision of services outside a jurisdiction's boundaries does not promote orderly growth and is generally undesirable. Therefore, annexation should be a component of any decision to provide additional water service connections outside City limits. Annexation can provide several benefits to the City, including additional revenue, land use control, increased housing opportunities (this may be a good way for Trinidad to meet State housing requirements for example), and a higher population base to serve on councils, commissions and committees. However, a decision as to when and where to annex is complex and would require additional information and studies. The proposed policy is intended to address when and where future water service connections may be appropriate and when annexation should potentially occur in conjunction to the connection request.

Based on the above premises, the proposed criteria have prioritized service to (1) build-out within City limits, (2) an allowance for Accessory Dwelling Units (ADUs) in the City, (3) areas outside the City that the City has the capacity to serve and that would be appropriate for future annexation, and to a lesser degree, (4) health and safety. In addition, there are provisions for the City Council to allow exceptions to the above priorities if certain findings can be made. The policies are set up in tiers based on the priorities. The first tier is for requests from within the Priority Service Area. Within that tier, Areas A and B have somewhat different requirements from Area C, because Areas A and B already have water infrastructure and represent relatively small potential demand. Health and safety provisions are included in the tier for service requests from outside the Priority Service Area, but the approval process is easier than for an exception, which requires more scrutiny and analysis of costs and benefits.

Council questions included:

Miller: Received letters from Richard Johnson and Dave Hankin that should be discussed in-depth. We do not know what a future drought situation will look like, and no matter how much storage capacity there is, it's no good unless we have the water to treat. We need an agreement with users that will require them to reduce their use during a drought, and we need a drought contingency plan. I'm ok with approving what we have so far, contingent upon including a drought plan upon completion.

Davies: It is important to note that the treatment plant is capable of treating an additional 43,000 gallons/day (gpd), and that amount isn't necessarily 'excess' supply.

City Planner Parker noted that the Plant has the ability to treat that amount of water – if and when there's enough water in Luffenholtz Creek to treat. Peak demand is currently around 85,000 gpd. Creating a drought contingency plan is the next step.

Public comment included:

Bryce Kenny – Trinidad

Submitted a detailed letter by email prior to the meeting. I tend to agree with the draft policies and priorities as they are advantageous for the City, but it's a wild gamble allocating anything else. You are the final authority, and whatever the final policy looks like, it should be written in the form of a Resolution so it can be traced easily.

Richard Harris – Trinidad Area

It doesn't make sense to have a water policy that doesn't include a drought contingency plan.

Steve Madrone – Trinidad Area, County Supervisor

I don't see any urgency to adopt a water policy tonight. If a dry weather pattern continues to prevail, we will need to prepare for drought, and a planning for that contingency is important. One way to do that is to increase winter storage. If there is excess water, prioritize area C as identified in the General Plan.

Council comments included:

Grover: Agree with Madrone. Drought contingency and storage are important.

Davies: A drought contingency plan should be included in the policy. I also would like to remove exceptions from page 8, part D, but leave the health and safety exception. It is not acceptable to take chances, and calculations have been done for areas A,B, and C, but not D.

West: I look forward to having this discussion in a live meeting, but it looks like we need more time to explore all the options, exceptions, etc.

*Motion (Grover/Miller) to direct the Planning Commission to develop a drought contingency plan for Council review at a future meeting. **Passed unanimously.***

3. Discussion/Decision regarding Trinidad Rancheria's Request/Proposal for Water Service for the Proposed Hotel Project.

City Manager Naffah introduced Trinidad Rancheria representatives Jacque Hostler-Carmeson, Robert Hemsted, and Shirley Laos who shared a presentation that included the following information:

- Vision Statement
- Past and Present Partnerships, Projects, and Support
- IHS Water System Improvements
 - Nearly \$1 Million in contributions to the City's water system
- Harbor History – Stewardship, Commitment to preserving the environment, ASBS, Restrooms, New Pier
- Scenic Drive rehabilitation (\$1.6 Million)
- Scenic Drive maintenance, cleanup, and vegetation management
- Additional Partnerships – local and regional
- Partnership Opportunities/Benefits in Exchange for Future Water Allocation
 - Construct 200-300,000 additional gallons of storage capacity
 - Install/upgrade the treatment filter train
 - Upgrade, Maintain the infiltration gallery
 - Memorandum of Understanding
- Allocation offset by the removal of 6 homes and 1 irrigation meter, saving over 3000 gallons per day.
- Next Steps
 - Request City to take immediate action on the Tribe's request.
 - Schedule Gov-to-Gov meeting to discuss further.
 - Work together in the spirit of collaboration

Council questions included:

Miller: I appreciate the tone of this presentation, and also appreciate the history of a cooperative and collaborative partnership with the Rancheria. **Grover** echoed this comment.

Davies: Reminded the Council that this is a presentation item only.

Written correspondence included:

Patti Fleschner – Trinidad

Refreshing to have the Rancheria as true partners. Their presentation was compelling, and poignant.

Richard Johnson – Trinidad Area

Requested removing the item from the agenda because a) it is a very important issue that deserves deep consideration, b) the presentation material was not made available prior to the meeting, c) the draft water policy has not been completed yet, d) the City Attorney has not reviewed the policy, and e) this is the first virtual meeting the City has ever hosted.

Sarah Akana

I would like to request these water discussions be held in public not in government to government meetings. Those are essentially private meetings about public resources regardless of whether decisions are made or not.

Ted Pease – Trinidad Area

Is the Rancheria requesting 9500 gallons/day? How much will their wells produce? Do we know that yet?

Dave Hankin – Trinidad Area

The City needs to recognize system water loss in its policies and deliberations concerning future deliveries to additional customers. Also, the way the item was presented on the agenda could lead someone to believe that the Council will make a decision tonight. It should be a presentation item only since no background reports were provided in advance of the meeting.

Elaine Weinreb – Trinidad Area

Presentation material was not included in the packet, and the public has not had a chance to study this material.

Don Allan – Trinidad Area

This request needs robust public input which is not possible by video or teleconference. Considering the size of the City's treatment system, a request from a large commercial user of this nature seems premature.

Kim Tays – Arcata

Opposed to any plans to grant City water to the Trinidad Rancheria because the hotel is out of character with the area. Also unfair to hold a meeting like this by videoconference. Concerned with the environment, future drought possibilities, and the cost of possible future lawsuits.

Richard Harris – Trinidad Area

Opposed the hotel project and the FONSI.

Public comment included:

Bryce Kenny – Trinidad

Submitted a detailed letter by email, prior to the meeting. This discussion must be kept in the public forum – not take place behind closed doors.

Richard Clompus – Trinidad

I notice a change in tone that is very acknowledgeable. The Rancheria is positioning themselves as a partner. I'm hearing "how can we make this work", which is a very different way of presenting this.

Council comments included:

Mayor Ladwig explained that transparency is key. To honor our amended agenda, no decision is being made. This is a presentation item only.

4. Discussion/Decision regarding Ordinance 2020-01; Amending the Zoning Ordinance Title 17 of the Trinidad Municipal Code to Define Emergency Shelter and Allow them in the Planned Development (PD) and Commercial (C) Zones as a Principally Permitted Use.
City Planner Trevor Parker explained that Government Code Section 65583(a)(4) requires every jurisdiction to identify a zone or zones where emergency (as in short-term, less than 6 months) homeless shelters are allowed as a permitted use without a conditional use permit or other discretionary permit. Certain limitations, such as the number of beds and parking requirements, can be put on the allowed shelters. There are number of recent State laws like this related to housing opportunities that the City is not in compliance with, but this one is key to getting the City's Housing Element certified, and in turn being able to obtain \$160,000 in SB2 grant funding. I made the amendment as simple as possible by adding the definition from the State Code and then adding the use, with 10 beds or less and onsite management, to the principally permitted uses in the C (Commercial) zone. The City can't get around the necessity for a Coastal Development Permit though, which is discretionary.

In addition, the Planning Commission wanted to consider allowing Emergency Shelters in the PD zone as well as the C zone, because the area of C zoning is so limited. All uses in the PD zone currently require a use permit, Emergency Shelters has been added as another allowable use (with a use permit) to section 17.44.020. The Planning Commission was also concerned about parking requirements, so we added specific parking requirements for Emergency Shelters to section 17.56.180 of the Zoning Ordinance. The Planning Commission recommended approval of this amendment to the City Council at their specially schedule April 1, 2020 meeting.

Government Code Section 65583(a)(4) allows jurisdictions to regulate only the following things in relation to these emergency shelters (listed below). Several of these limitations have been incorporated into the amendment, such as the maximum number of beds. But other items, such as length of stay and lighting were either deemed unnecessary or are things the City doesn't regulate for other uses, so adding them would make the amendment more complex.

- (i) The maximum number of beds or persons permitted to be served nightly by the facility.
- (ii) Sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone.
- (iii) The size and location of exterior and interior onsite waiting and client intake areas.
- (iv) The provision of onsite management.
- (v) The proximity to other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart.
- (vi) The length of stay.
- (vii) Lighting.
- (viii) Security during hours that the emergency shelter is in operation.

Because this amendment is part of the City's certified zoning ordinance/implementation plan, it will need to be submitted to the Coastal Commission for certification prior to going into effect. The second reading of the ordinance, which can be done by consent, will include a Resolution of Submittal for the LCP amendment application to the Coastal Commission.

Council comments included:

Miller: Described a scenario for the purpose of understanding how this works.

Public comment included:

Steve Madrone – Trinidad

Similarities to Project Room Key. Keep in mind that you're not looking at camps for hundreds of people, maybe only a few, or dozen.

*Motion (Miller/Grover) to approve the first reading of Ordinance 2020-01; Amending the Zoning Ordinance Title 17 of the Trinidad Municipal Code to Define Emergency Shelter and Allow them in the Planned Development (PD) and Commercial (C) Zones as a Principally Permitted Use. **Passed unanimously.***

5. Discussion/Decision regarding Resolution 2020-05; Declaring a Local Emergency Due to the COVID-19 Pandemic.

City Manager Naffah explained that in following the lead of the County and other neighboring cities, Trinidad should declare a public emergency in response to the Covid-19 pandemic. This declaration will put the City in a position to receive aid when available, and access additional resources from the Federal government when needed.

Public comment included:

Sherri Provolt – Trinidad, Yurok Tribal Councilmember

The Yurok Tribe declared an emergency a few weeks ago. Encouraged expense tracking related to Covid-19 so when funding comes available, reimbursement requests will be easier to complete.

Council comments included:

Miller: At the conclusion of item 2, following the word '...procedures', add "the City Manager will update the Council regularly".

*Motion (Miller/Grover) to amend #2 as noted "...City Manager will update the Council regularly", and adopt Resolution 2020-05; Declaring a Local Emergency Due to the COVID-19 Pandemic - as amended, adding "the City Manager will update the Council regularly at the end of item #2. **Passed unanimously.***

6. Discussion/Decision regarding Resolution 2020-06; Adoption of the County Shelter-In-Place Order - as it relates to the City's Short-Term Rental Moratorium.

City Manager Naffah explained that by adopting the County's Order and overlapping it with the City's moratorium on Short-Term rental reservations, there will be comprehensive coverage.

Public comment included:

Dorothy Cox – I noticed 36 cars parked at the beach last week. Not sure how you're going to enforce it, but good luck.

Council comments included:

Davies: What does this mean for the tennis court? Should it be closed?

Naffah noted that as long as the people participating in the activity are able to maintain proper distancing, then there's no need for it to be closed. The public should be able to maintain their health with recreational opportunities like this as well.

Ladwig: Having the more restrictive order in place will help us act or respond to issues, as needed.

*Motion (Grover/Davies) to approve Resolution 2020-06; Adoption of the County Shelter-In-Place Order - as it relates to the City's Short-Term Rental Moratorium. **Passed unanimously.***

7. Discussion/Decision regarding 2020 Sales Tax Election & Calendar Update

City Clerk Adams explained that In April, 2004, the City of Trinidad voters approved a ballot measure to impose a 1% transactions and use tax (sales tax) for a period of four years, which took effect on January 01, 2005 and ended on December 31, 2008. In 2008, the voters approved a .75% sales tax, effective April 01, 2009 for four years. Collection of this additional tax was scheduled to end on March 31, 2013, but was put before the voters again in November 2012, and approved for four more years. Then, again in 2018 the voters approved by a 63% majority to extend the tax another four years.

The additional tax has generated an average of approximately \$133,000 per year, representing roughly 18% of the total General Fund revenue budget, and supplements (significantly) the core services that City government provides; Police, Fire, Public Works, park & trail maintenance, and public facilities such as the Library, Park, and Town Hall.

In order to continue either the .75% tax add-on or implement a different tax, a measure will need to be included on the November 2020 ballot. There would be no preparatory costs assessed by the Board of Equalization in the event the current tax add-on is continued. If the tax add-on lapsed and was subsequently approved at a later date, the Board of Equalization will assess an implementation cost of approximately \$16,000.

The budget preparation for fiscal year 2020-2021 will soon be underway. Adopted General Fund budgets for the current year 2019-2020 are as follows:

GENERAL FUND REVENUES:

\$ 657,000

GENERAL FUND EXPENDITURES:

General Administration

\$ 368,371

City Manager, City Clerk Admin Support, Accountant, Auditor, Planner, Attorney, Liability Insurance, Overhead, etc.

Police - Humboldt County Sheriff

\$ 87,099

Fire (equipment and materials)

\$ 22,550 (excludes capital reserve)

Public Works

Staffing, materials, Library, Museum, Park & Trail Maintenance \$ 174,564

Total Expenditures: \$ 652,584

Deadlines: If the Council decides to proceed with a sales tax measure, the November election ballot will ask the voters to decide on 1) the Sales Tax Measure, and 2) selecting 3 Councilmembers. There are deadlines shared with the Sales Tax Election decision, and others that are independent from the Sales Tax election schedule:

FIRST DEADLINE: June 09, 2020 Council meeting:

1. Final decision to proceed or sunset the Sales Tax Increase must be made.

SECOND DEADLINE: July 14, 2020 Council meeting:

1. If a decision is reached to continue the sales tax increase, the wording must be drafted and approved in a resolution. Staff will draft the resolution based upon the decision reached at the June (or earlier) meeting and include it for adoption at the July (or earlier) Council meeting.
2. A second resolution will be required at this meeting to approve requesting that the City and County consolidate their elections. Clerk will have the resolution prepared for discussion/approval at this meeting, regardless of the Sales Tax decision.

The next steps following the July Council meeting deadline will be advised after each benchmark decision is reached. The Clerk's office will provide monthly updates and announcements to the Council regarding publishing deadlines and required notifications for both elements of the election.

Public comment included:

Sherri Provolt – Trinidad, Yurok Tribal Councilmember

Keep track of lost revenue. It might be reimbursable with emergency funds. Transparency is key. Have a plan with how you are going to spend the extra dollars.

Steve Madrone – Trinidad Area, County Supervisor

Trinidad will not be receiving Measure Z money next year. The gas station is a huge generator of sales tax, and keep in mind that if the Hotel Project gets water, then they will likely get an interchange and gas station.

Miller: I want to see a revenue source worksheet with expectations for 2021, post-Covid.

Grover: I think we could continue this discussion to the May meeting, and consider other options such as .75 or 1%.

No decision was made. The discussion will be continued in May and include future budget projections.

XI. FUTURE AGENDA ITEMS

- Budget for IT improvements/investments.
- April 28, 5:00pm Closed Session to discuss CM contract.

ADJOURNMENT: 9:50pm.

Submitted by:

_____ signed copy on file _____

Gabriel Adams
Trinidad City Clerk

Approved by:

_____ signed copy on file _____

Steve Ladwig
Mayor